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# Daily Report – Romania

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	4.935,91	↑ 0,21	↑ 1,14
BET-C	2.669,10	↓ -0,18	↑ 0,62
BET-FI	24.137,82	↓ -0,60	↑ 0,42
BET-XT	465,12	↓ -0,04	↑ 0,80
SNP	0,4160	↑ 0,24	↑ 1,46
FP	0,5370	↓ -0,74	↑ 0,75
TLV	1,1950	↑ 0,42	↑ 2,93
EBS	89,8000	↑ 1,81	↑ 8,85
SIF3	0,6105	↓ -0,49	↑ 0,16

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	5,93	↓ -0,5	↓ -5,0
12 month	6,01	→ 0,0	↓ -3,5
3 year	6,38	↓ -0,5	↓ -1,0
5 year	6,47	→ 0,0	↓ -2,0
10 year	6,64	↓ 0,0	↓ -0,5

**GOV'T BOND AUCTIONS**

	Maturity	Auctions	Sold
Monday	12M	800 mn RON	794 mn RON
Thursday	2Y	500 mn RON	

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	5,50	↑ 1,0	↑ 9,0
3M ROBOR	5,75	↓ -1,0	↑ 1,0
6M ROBOR	6,08	→ 0,0	↑ 1,0
1Y ROBOR	6,17	→ 0,0	↑ 2,0
5Y CDS	212,07	↑ 4,6	↑ 5

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5235	↓ -0,13	↓ -0,62
USD/RON	3,5360	↑ 0,23	↑ 0,25
CHF/RON	3,7472	↓ -0,11	↓ -0,44
100HUF/RON	1,60	↓ -0,25	↑ 0,23

Source: Reuters, OTP Research

**Summary**

- BSE's indexes finished mixed yesterday on low turnover; the blue chips index saw the highest gain (+0.49%) led by Erste Group Bank and Transgaz
- The Central Bank continued to cap liquidity and injected 4 bn RON
- The Treasury sold almost the planned amount in 12M T-bills, 794 mn RON at an average accepted yield of 6.08%; in Mid October, the Treasury sold 11 M T-Bills at the same yield
- Retail trade declined by 0.4% (MoM, seasonally adjusted data) due to decline in fuels trade

Again, the equities' turnover was low and indexes finished mixed, just like the day before. However, the blue chips, the most liquid 10 companies and the energy sector managed to show some advance as pointed by ROTX (+0.49%), BET (+0.21%) and BET-NG(+0.01%). Of the blue chips, Erste Group Bank and Transgaz led the increases, with hikes of 1.8% and 1.6% respectively. Meanwhile, European markets finished in the red but futures are up. Markets are eyeing the Greek vote regarding the austerity package (Wednesday) and today's US elections.

Money market rates did not move much yesterday, despite the fact that NBR maintained the liquidity cap and the repo amount was the same as last week, 4 bn RON.

Risk aversion in the region has increased marginally as we see the 5Y CDS advancing 4 bp in the day to 212 bp. Despite this, the leu continued to appreciate against the euro and the EUR/RON closed lower by 0.1% yesterday. Meanwhile, peer currencies weakened (PLN, HUF) versus the euro and the euro itself lost ground against the dollar and closed lower by 0.3% to 1.2796.

The Treasury sold almost the entire amount in planned 12M T-bills: 794 mn RON versus 800 mn RON (planned). The average accepted yield stood at 6.08%, higher than the previous similar tender in Mid September when the average yield was 5.95%. However, compared to the even more recent 11 M T-bills issue in Mid October, the yield improved as the shorter maturity also had an average yield of 6.08%. Demand was good, total bids amounting to 1.66 bn RON. The fact that the Treasury successfully issued FX debt removes part of the pressure to refinance quickly the maturing debt and leaves more space for maneuver for the Treasury.

September retail trade figures pointed to a decline on a monthly basis of 0.4% (seasonally adjusted data) mainly due to fuels trade which decreased by 5.2% MoM (seasonally adjusted data). September inflation data had revealed a significant increase in fuels' price on a monthly basis. Non food trade increased by 1.6% MoM and foods stagnated. The seasonally adjusted figures point to a very modest increase of retail trade in Q3 compared to Q2. The annual pace has also decreased from 4.5% YoY in August to 2.9% YoY in September.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	Sep	Retail trade turnover index (y-o-y, %)	2,9	4,5
Tuesday	Sep	Net wage growth rate (y-o-y, %)		5,4

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		2-11-2012					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	6,5828	↑ 0,14	↑ 17,13	↑ 21,68		
OTP Obligatiuni	RON	12,1443	↑ 0,01	↑ 5,97	↑ 7,00		
OTP ComodisRO	RON	14,7431	↑ 0,01	↑ 5,57	↑ 6,64		
OTP Eurobond	EUR	11,0026	↑ 0,01	↑ 4,73	↑ 5,48		

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